

From: Polster, Tasha [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=WALGREENS.ONMICROSOFT.COM-54052-POLSTER, NATASHA F. (NF6A8A3087)]
Sent: 12/16/2012 5:49:56 PM
To: Doyle, Dan (dan.doyle@walgreens.com) [dan.doyle@walgreens.com]
Subject: FW: Proposed org chart
Attachments: image001.png; image002.png; RxIntegrity Propsed Org Chart 12.2012 POLSTER.pptx

With org chart attached this time.....

From: Polster, Tasha
Sent: Sunday, December 16, 2012 5:48 PM
To: Doyle, Dan
Subject: Proposed org chart

Redacted – Attorney Client Privileged and Attorney Work Product

Thanks and Be well,
Tasha

For the business case for RxIntegrity Group

Background

The DEA has alleged that Walgreens suspicious order monitoring program for controlled substances is inadequate and has taken [REDACTED] enforcements actions against 3 Florida pharmacies and the Jupiter Distribution Center. In addition to the actions against their registrations, DEA is demanding civil penalties, [REDACTED]. The DEA has confirmed that additional regulatory actions are pending against other Walgreen facilities, due to the issues uncovered in their current investigation.

In response, the Company has enhanced its suspicious order monitoring program for controlled substances in an effort to convince DEA [REDACTED] that our new processes will ensure that similar incidents do not recur.

The updated suspicious order monitoring (SOM) program is currently being piloted. Once turned on for all controlled medications nationwide, it is expected to generate thousands of "orders of interest" per week. These "orders of Interest" will all require review prior to allowing the drugs to be shipped to our pharmacies. Without adequate resources to review these orders, the program will not have the necessary impact. The DEA would view this as further failures of our internal processes, which could potentially result in additional pharmacies and distribution centers being subjected to regulatory actions and ultimately prohibited from handling controlled substances. In addition, without the additional resources to timely review the "orders of interest", shipments of controlled substances to our pharmacies will be delayed or held, further negatively impacting the business.

Work that needs to be done

The SOM system has been turned on to "tracking" for the chain for all controlled substances, per the chart below, for last week we had 14,000 items that the stores ordered across the chain that would have to be investigated.

PLAINTIFFS TRIAL
EXHIBIT
P-00027_00001

Controlled Substance Reporting

Chain

Options

Week Ending Date : 12/08/2012 Timeframe : ☒ 1 Wk ☐ 4 Wk ☐ 13 Wk ☐ 26 Wk ☐ 52 Wk Location : Chain

Order Type : ☒ All ☐ Warehouse ☐ Direct/Vendor

Sched	Description	Order Items Flagged		By Reason Code				Store Manually Chg Order		System Reduced Order		
		Total	# Wks	Tol Limit	Ceiling Limit	Both To and Ceiling	Inv Adj	Total	% of To Flagged	Tol Limit	Ceiling Limit	Total
Total	Drugs Flagged	24902	1	3222	14855	142	7158	5804	23%	3300	780	4077
C2	Schedule II	5606	1	988	3506	24	1201	2135	38%	999	479	1476
C3	Schedule III	7665	1	629	3836	39	3322	1241	16%	651	0	651
C4	Schedule IV	6352	1	194	4606	32	1628	589	9%	222	301	523
C5	Schedule V	2888	1	236	1914	33	767	548	19%	258	0	258
Total C2-C5		22511	1	2047	13862	128	6918	4513	20%	2130	780	2907
PSE	Pseudoephedrine	1093	1	68	993	14	35	167	15%	80	0	80
	Other	1298	1	1107	0	0	205	1124	87%	1090	0	1090

Orders that were cut

For the 17 items we have turned on, we generated 470 orders where store's inventory for the drug was cut to zero and these orders need to be investigated before we can potentially put more product into the store.

Controlled Substance Reporting

Chain

Options

Location : Chain State : All Schedule : All Action

Unique Items/Stores by % of Ceiling									
Operation	Name	≥100%		91-99%		76-90%		50-75%	
		Items	Stores	Items	Stores	Items	Stores	Items	Stores
	Total	17	470	17	691	17	775	17	2,810
2	SOUTHERN	11	138	14	176	15	152	16	705
3	EASTERN	13	108	15	166	15	203	17	626
1	WESTERN	15	121	15	188	17	222	17	735
4	MIDWEST	15	103	15	161	16	198	17	744

Proposal

I am requesting that the full team compliment, which includes a manager for each division as well as 2 analysts under each manager, a total of 12 headcount, be approved immediately. We originally thought that 2 managers and 2 BAs would get us started and then we would slowly ramp up over the next year or two. We see now that this is not going to be enough to handle the amount of work that needs to be done. Each order of interest has to be investigated before more product can be added to the store.



Pharmaceutical Integrity Organization

Tasha Polster

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